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GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF EDUCATION
LANSING



MICHAEL P. FLANAGAN
SUPERINTENDENT OF
PUBLIC INSTRUCTION

September 13, 2006

**PLEASE SHARE THIS MEMO
IMMEDIATELY WITH YOUR
BUSINESS MANAGERS AND
SPECIAL EDUCATION DIRECTORS**

MEMORANDUM

TO: Intermediate School District (ISD) Superintendents, ISD
Business Managers, and ISD Directors of Special Education

FROM: Carol Wolenberg, Deputy Superintendent *Carol*

SUBJECT: New MDE Cash Management System

Beginning October 1, 2006, there will be some changes in the Grant Cash Management Reporting System (GCMRS) at the Michigan Department of Education (MDE). The GCMRS is being replaced with a new updated system which will streamline our grant processing functions as well as make it easier for intermediate and local district staff to request funds, process final expenditure reports and view grant data. The new system is called the MDE Cash Management System (CMS); it will be accessed through the Michigan Education Information System (MEIS). Our financial management and special education staff members have worked closely to implement a fiscal year 2007 CMS pilot using four primary Special Education Grants: Individuals with Disabilities Education Act (IDEA Part B); flow through Pre-School Section 619; Enhancing Opportunities for Students with Disabilities (EOSD); and Transition Services (TS). We selected these special education grants because of the large dollar amount and the small number of recipients, namely all ISDs.

We are in the process of setting up a web-based seminar (Webinar) to formally introduce the new CMS and to provide the necessary training to the end users.

The Webinar is scheduled for September 27, 2006 at 10:00 A.M.

Registration and website address information will be sent to you by ListServ within the next week. We apologize for the short notice.

It is critical that ISD business staff, who certify, request funds, or do reports attend the September 27 Webinar so that they will know how to draw Special Education funds after October 1, 2006. In order to implement this pilot, Special Education

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funds for FY 2006-07 will not be available to draw before October 1. **Please note that second year 2005-06 special education funds for these grants will continue to be drawn from the GCMRS System.** Once the new CMS is launched, we intend to work closely with ISD staff throughout the pilot period to make sure the new CMS is working.

In addition to the CMS introduction and training opportunity being offered on September 27, the Webinar will also begin a necessary conversation that will move us from a 30-day cash advance system to either the 3-Day Rule or reimbursement method of payment being required by the federal government. We'll start the conversation surrounding this required change with our colleagues on September 27 and continue it as an agenda topic for the October MDE/MSBO meeting and beyond. We hope that you will work with us on these required changes so that we can successfully implement them together.

Please contact Craig Thurman, Assistant Director in the Office of Financial Management, at (517) 373-2810 or by e-mail at ThurmanCP@michigan.gov if you should have any comments, questions or concerns.

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